

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL			5. MINERAL LEASE NO: UTU-64422		6. SURFACE: Federal	
1A. TYPE OF WORK: DRILL <input type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>			7. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA			
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER <u>Tight Hole</u> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>			8. UNIT or CA AGREEMENT NAME: NA			
2. NAME OF OPERATOR: EnCana Oil & Gas (USA) Inc.			9. WELL NAME and NUMBER: Federal 44-28			
3. ADDRESS OF OPERATOR: 950 17th St., Suite 2600 CITY Denver STATE CO ZIP 80202			PHONE NUMBER: (720) 956-3702		10. FIELD AND POOL, OR WILDCAT: North Chapita Field <i>undesignated</i>	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 808' FSL, 667' FEL AT PROPOSED PRODUCING ZONE: same as above			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 28 8S 23E			
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: Approximately 35.9 miles from Vernal, UT			12. COUNTY: Uintah		13. STATE: UTAH	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 8587' East		16. NUMBER OF ACRES IN LEASE: 1920		17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) Approx. 7500'		19. PROPOSED DEPTH: 8,316		20. BOND DESCRIPTION: RLB004733		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5044 GR		22. APPROXIMATE DATE WORK WILL START: 10/29/2003		23. ESTIMATED DURATION: 15 days		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12-1/4"	8-5/8" J-55 STC 24#	525	"G", 275 sxs 1.18cft/sx Wt.15.6 ppg
7-7/8"	4-1/2' N-80 LTC 11.6#	8,316	Lite Poz, 300 sxs 3.9 cft/sk Wt.11ppg
			Poz G, 976 sxs 1.31 cft/sk Wt.14.3 ppg

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) **Judith A. Walter**

TITLE Regulatory Analyst

SIGNATURE

DATE **9/29/2003**

(This space for State use only)

API NUMBER ASSIGNED:

APPROVAL:

(11/2001)

(See Instructions on Reverse Side)

**Approved by the
Utah Division of
Oil, Gas and Mining**

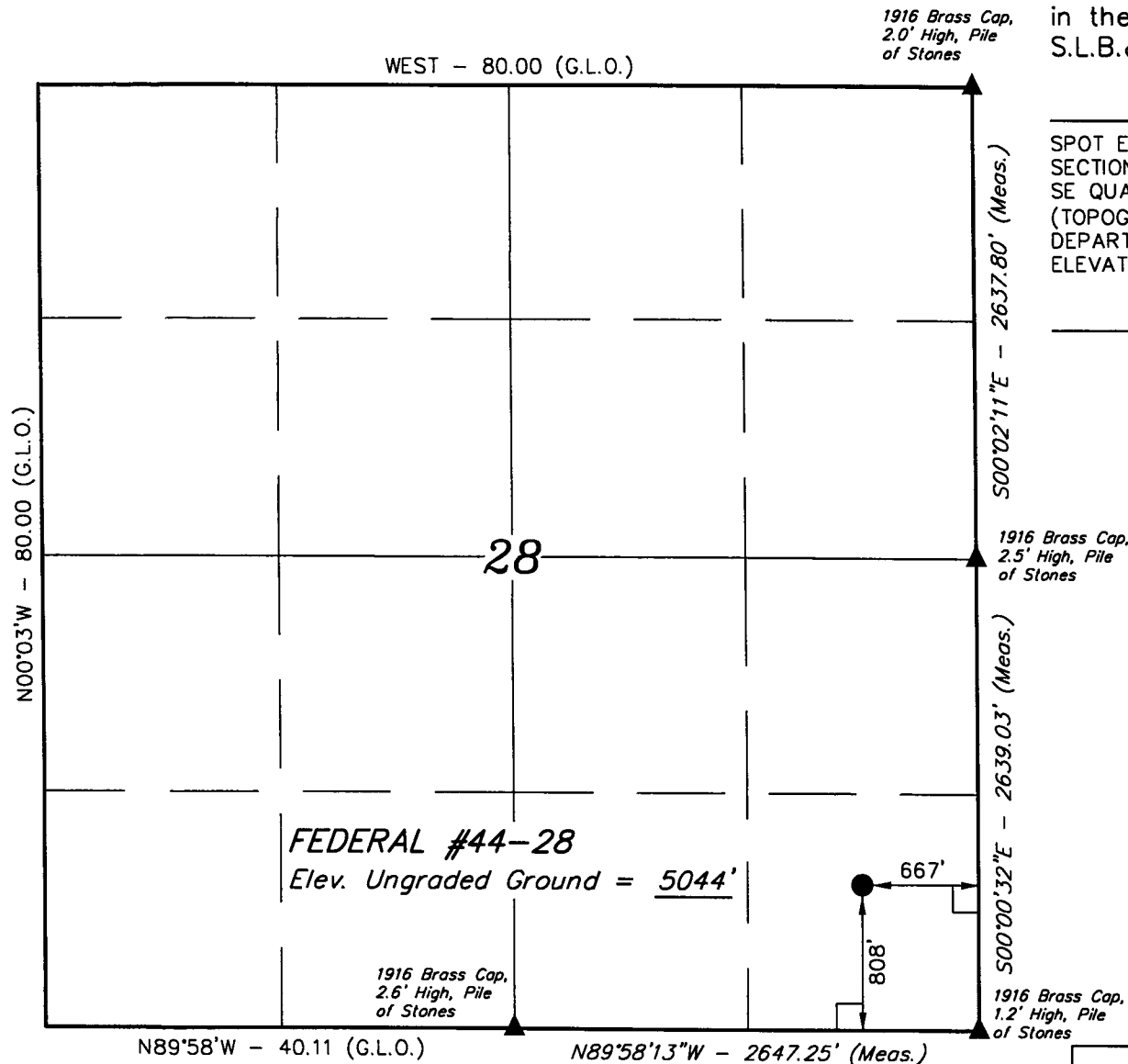
Date: _____

By:

T8S, R23E, S.L.B.&M.

ENCANA OIL & GAS (USA) INC.

Well location, FEDERAL #44-28, located as shown in the SE 1/4 SE 1/4 of Section 28, T8S, R23E, S.L.B.&M. Uintah County, Utah.

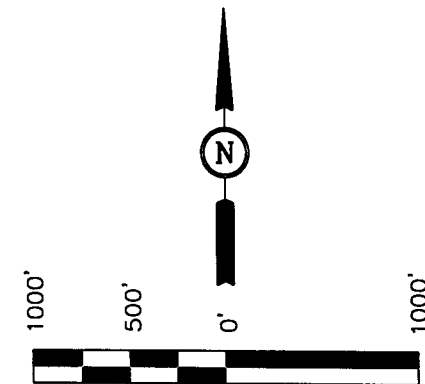


BASIS OF ELEVATION

SPOT ELEVATION AT A ROAD INTERSECTION IN THE NW 1/4 OF SECTION 3, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE QUADRANGLE, UTAH, UTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4992 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert Hays

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161318
STATE OF UTAH

LEGEND:

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)

LATITUDE = 40°05'19.23" (40.088675)
LONGITUDE = 109°19'30.21" (109.325058)

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 8-28-03	DATE DRAWN: 9-8-03
PARTY S.H. L.M. C.G.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE ENCANA OIL & GAS (USA) INC.	

**ATTACHMENT TO FORM 3160-3
TEN POINT DRILLING PLAN
North Chapita Federal #44-28**

-
1. **OPERATOR:** EnCana Oil & Gas (USA) Inc
WELL NAME: North Chapita Federal # 44-28
LOCATION (SL): SE SE, Sec 28, T8S, R23E
808' FSL & 667' FEL
Uintah County, UT
BHL: Same

2. **ESTIMATED TOPS OF GEOLOGICAL MARKERS (TVD)**

<u>Formation</u>	<u>TVD</u>
GREEN RIVER	2293
DOUGLAS CREEK	4500
CARBONATE MARKER	4760
WASATCH	5256
MESAVERDE	7866
TD	8316

NOTE: Based on elevation of 5,044 GL; 5,056' RKB.

3. **ESTIMATED TOPS OF POSSIBLE WATER, OIL, GAS OR MINERALS**

The estimated depths at which possible water, oil, gas or minerals will be encountered are as follows:

	<u>TVD</u>
GREEN RIVER	2293
DOUGLAS CREEK	4500
WASATCH	5256
MESAVERDE	7866
TD	8316

4. **OPERATOR'S SPECIFICATIONS FOR PRESSURE CONTROL EQUIPMENT**

- Minimum working pressure on rams and BOPE will be 3,000 psi.
- Function test and visual inspection of the BOP will be conducted daily and noted in the IADC Daily Drilling Report.
- Both high and low pressure tests of the BOPE will be conducted.
- The Annular BOP will be pressure tested to a minimum of 50% of its rated working pressure.
- Blind and Pipe Rams/BOP will be tested to a minimum of 100% of rated working pressure (against a test plug).
- Surface casing will be tested from surface to TD (float collar) at 1,500 psi surface pressure (prior to drilling out the float collar).
- All other casing will be pressure tested to 0.22 psi/ft or 1,500 psi, whichever is greater, but not to exceed 70% of the internal yield.
- BOP testing procedures and testing frequency will conform to Onshore Order No. 2.
- BOP remote controls shall be located on the rig floor at a location readily accessible to the driller. Master controls shall be on the ground at the accumulator and shall have the capability to function all preventors.
- The kill line shall be 2" minimum and contain two kill line valves, one of which shall be a check valve.
- The choke line shall be 3" minimum and contain two choke line valves (3" minimum).
- The choke and manifold shall contain two adjustable chokes.
- Hand wheels shall be installed on all ram preventors.,
- Safety valves and wrenches (with subs for all drill string connections) shall be available on the rig floor at all times.
- Inside BOP or float sub shall also be available on the rig floor at all times.

**ATTACHMENT TO FORM 3160-3
TEN POINT DRILLING PLAN
North Chapita Federal #44-28**

- p. Upper kelly cock valve (with handle) shall be available at all times.

Note: Special Drilling Operations if Air Drilling*

- q. Properly lubricated and maintained rotating head for normal drilling operations
- r. Spark arresters on engines or water cooled exhaust*
- s. Blooie line discharge 100 feet from well bore and securely anchored
- t. Straight run on blooie line unless otherwise approved
- u. Deduster equipment*
- v. All cuttings and circulating medium shall be directed into a reserve or blooie pit*
- w. Float valve above bit*
- x. Automatic igniter or continuous pilot light on the blooie line*
- y. Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the well bore
- z. Mud circulating equipment, water, and mud materials (does not have to be premixed) sufficient to maintain the capacity of the hole and circulating tanks or pits

Shown in Exhibit I is the proposed BOP and Choke Manifold arrangements.

5. PROPOSED CASING AND CEMENTING PROGRAM (Measured Depths)

DEPTH (MD)	HOLE SIZE	SIZE	WEIGHT	CSG	GRADE/ THREAD	CEMENT VOLUME
0-40'+/-	13-1/2"	14"	N/A	Conductor	N/A	N/A
0-525'	12-1/4"	8-5/8"	24 ppf	Surface	J-55, STC (New)	± 275 sxs 'G' w/ 2% CaCl ₂ + ¼ lbs/sx Flocele (wt 15.6 ppg; yield 1.18 cft/sx)
0-8316'	7-7/8"	4-1/2"	11.6 ppf	Production	N-80, LTC (New)	± 300 sxs LitePoz + FL/Extender additives; (wt 11 ppg, yield 3.9 cft/sk) ± 976 sxs 50:50 Poz'G' + additives; (wt 14.3 ppg, yield 1.31 cft/sk)

Cementing Volume Design Assumptions:

Surface Casing

1. Designed to surface assuming gauge hole plus 50% excess.

Production Casing

1. Lead Slurry designed to 4000' from surface assuming gauge hole plus 30% excess.
2. Tail Slurry designed to 4000' from TD assuming gauge hole plus 30% excess.
3. Actual volumes pumped to be calculated from log caliper data plus 10% excess and may vary depending on additional field and/or logging data.

6. DIRECTIONAL DRILLING PROGRAM

Directional control will be maintained by drift shot surveys every 500', bit trips, and at TD.

7. PROPOSED DRILLING FLUIDS PROGRAM

**ATTACHMENT TO FORM 3160-3
TEN POINT DRILLING PLAN
North Chapita Federal #44-28**

DEPTH	MUD TYPE	DENSITY lbs/gal	VISCOSITY (sec/qt)	FLUID LOSS (cc)
0' – 525'	FW mud w/gel or Air Mist (FW, polymer, and soap)	8.4-8.6	N/A	N/A
525' – 6500' 6500' - TD	FW mud w/ gel LSND w/ LCM	8.4-8.8 8.6-9.1	N/A 25-40	NC to <20 <15 to 6-8

8. TESTING, CORING AND LOGGING

- a. Drill Stem Testing – none anticipated
- b. Coring – none anticipated.
- c. Mud Logging: Optional from 1,800' to TD

d. Logging Program:

Open Hole

AIT-SP-GR

FDC-CNL-GR

Logging Interval

From TD to Surface Casing

“ “

Cased Hole

GR-CCL

From TD to surface casing

Note: Will also run CBL on production casing if no cement is circulated to surface.

9. ABNORMAL PRESSURES OR TEMPERATURES; POTENTIAL HAZARDS

There are no known abnormal pressures, temperatures, or potential hazards in the area.

Anticipated maximum BHP is 3,600 psi.

10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS

Location construction is to begin immediately upon receiving the approved drilling permit or as allowed by winter and wildlife stipulations. The spud date is flexible, and could be accelerated or delayed as required to fit rig schedules.

The drilling operation is anticipated to require ± 15 days per well.

Completion operations are anticipated to begin within one week of end of drilling operations.

EnCana OIL & GAS (USA) INC.

FEDERAL #44-28

**LOCATED IN UINTAH COUNTY, UTAH
SECTION 28, T8S, R23E, S.L.B.&M.**

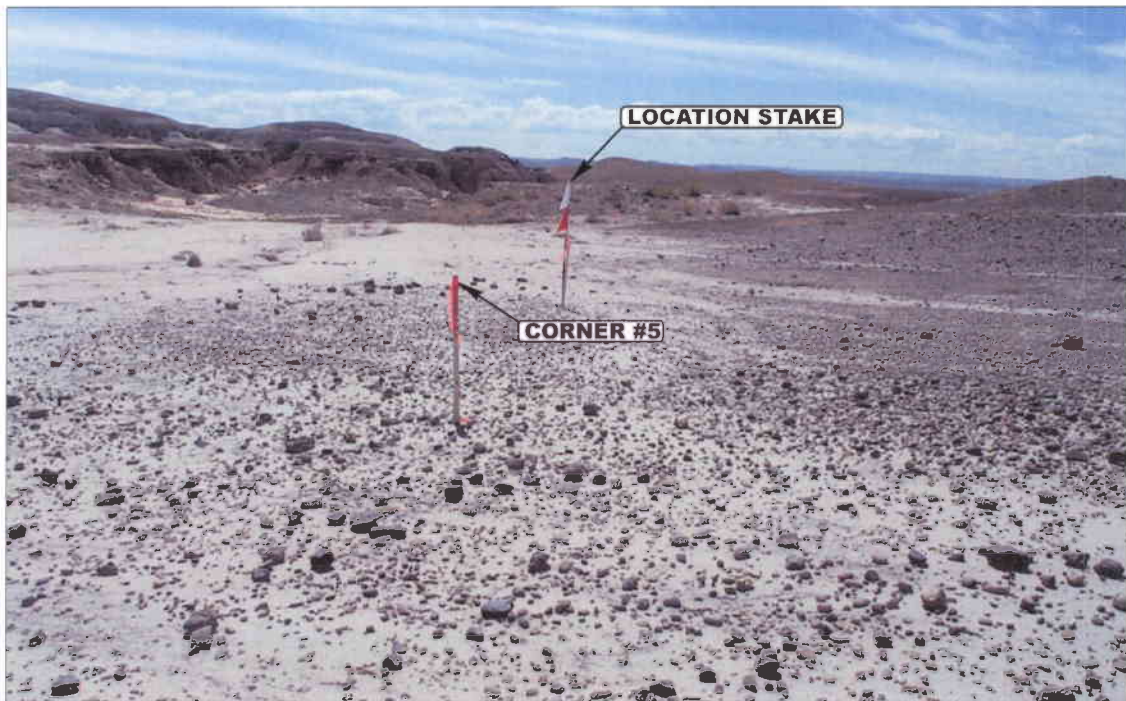


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY

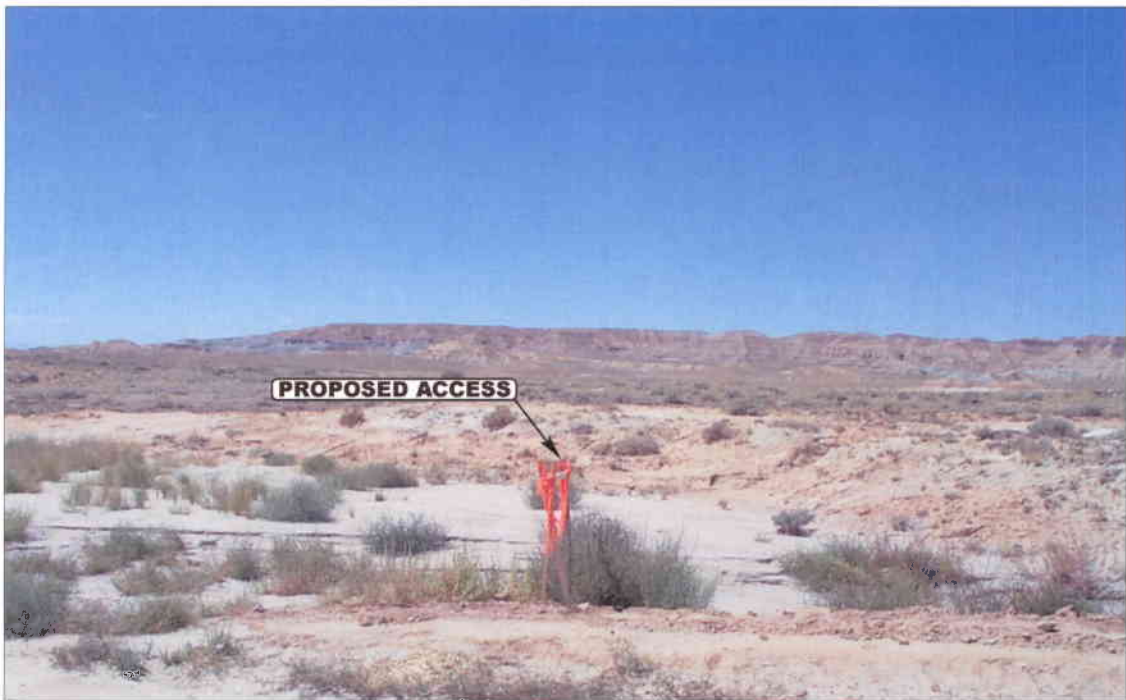


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

09 01 03
MONTH DAY YEAR

PHOTO

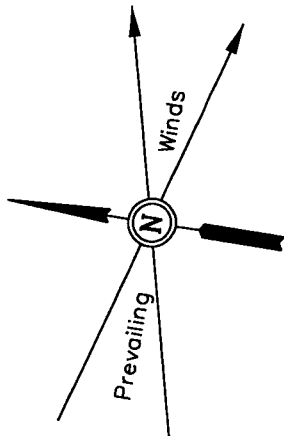
TAKEN BY: S.H.

DRAWN BY: P.M.

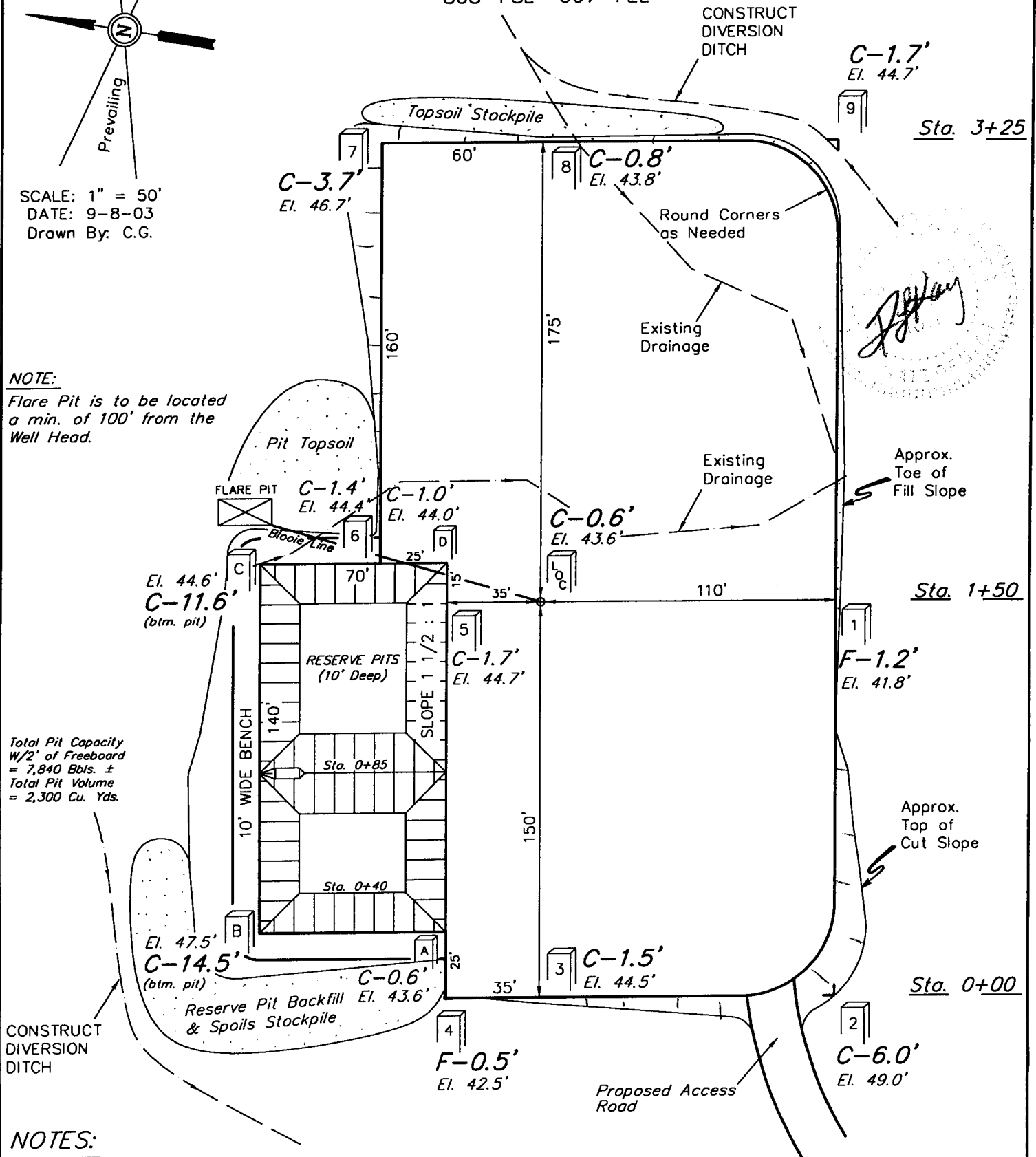
REVISED: 00-00-00

FIGURE #1

FEDERAL #44-28
SECTION 28, T8S, R23E, S.L.B.&M.
808' FSL 667' FEL



NOTE:
Flare Pit is to be located
a min. of 100' from the
Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5043.6'
FINISHED GRADE ELEV. AT LOC. STAKE = 5043.0'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

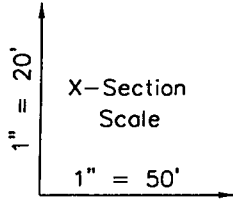
ENCANA OIL & GAS (USA) INC.

TYPICAL CROSS SECTIONS FOR

FEDERAL #44-28

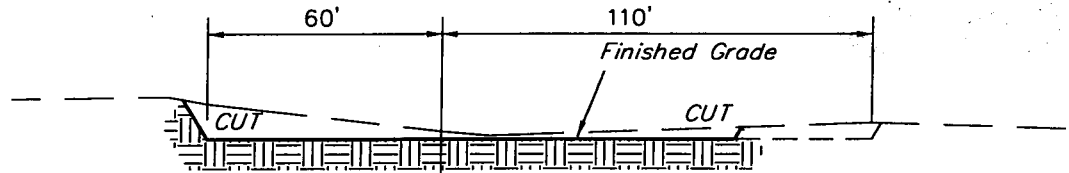
SECTION 28, T8S, R23E, S.L.B.&M.

808' FSL 667' FEL

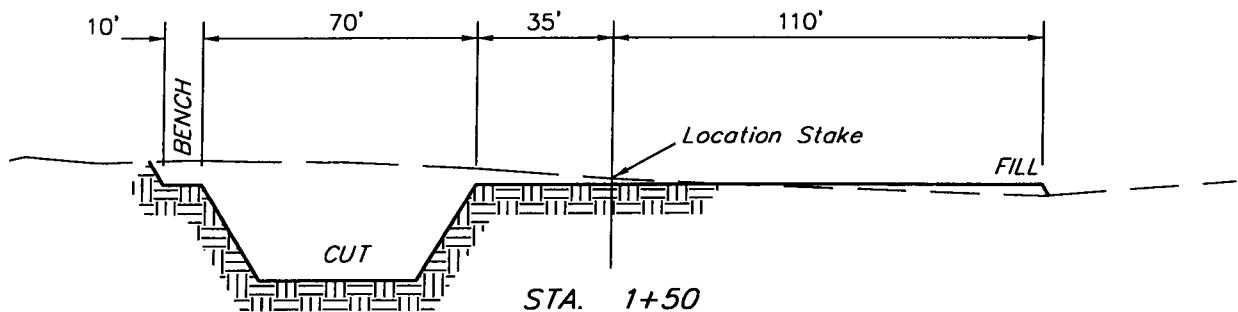


DATE: 9-8-03

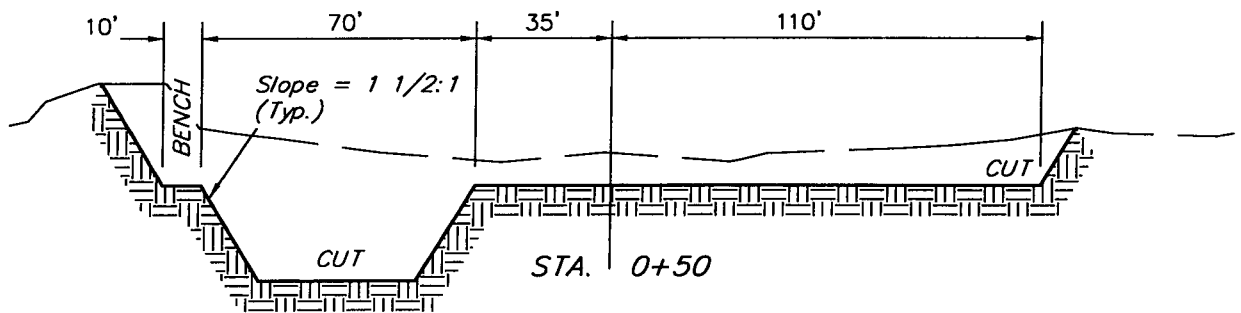
Drawn By: C.G.



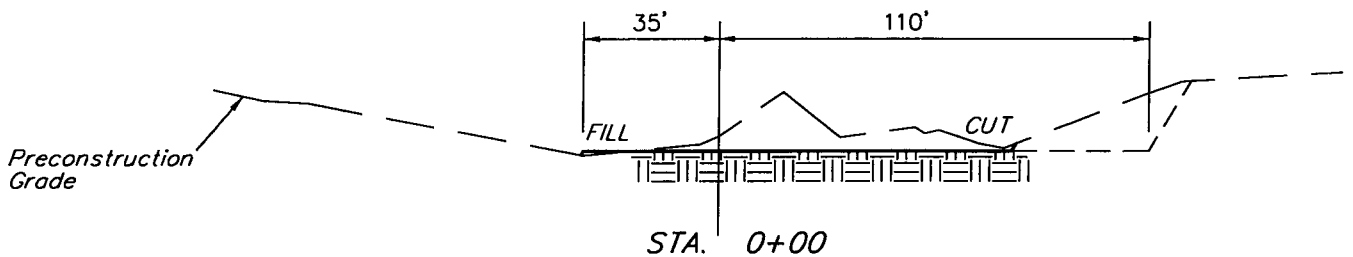
STA. 3+25



STA. 1+50



STA. 0+50



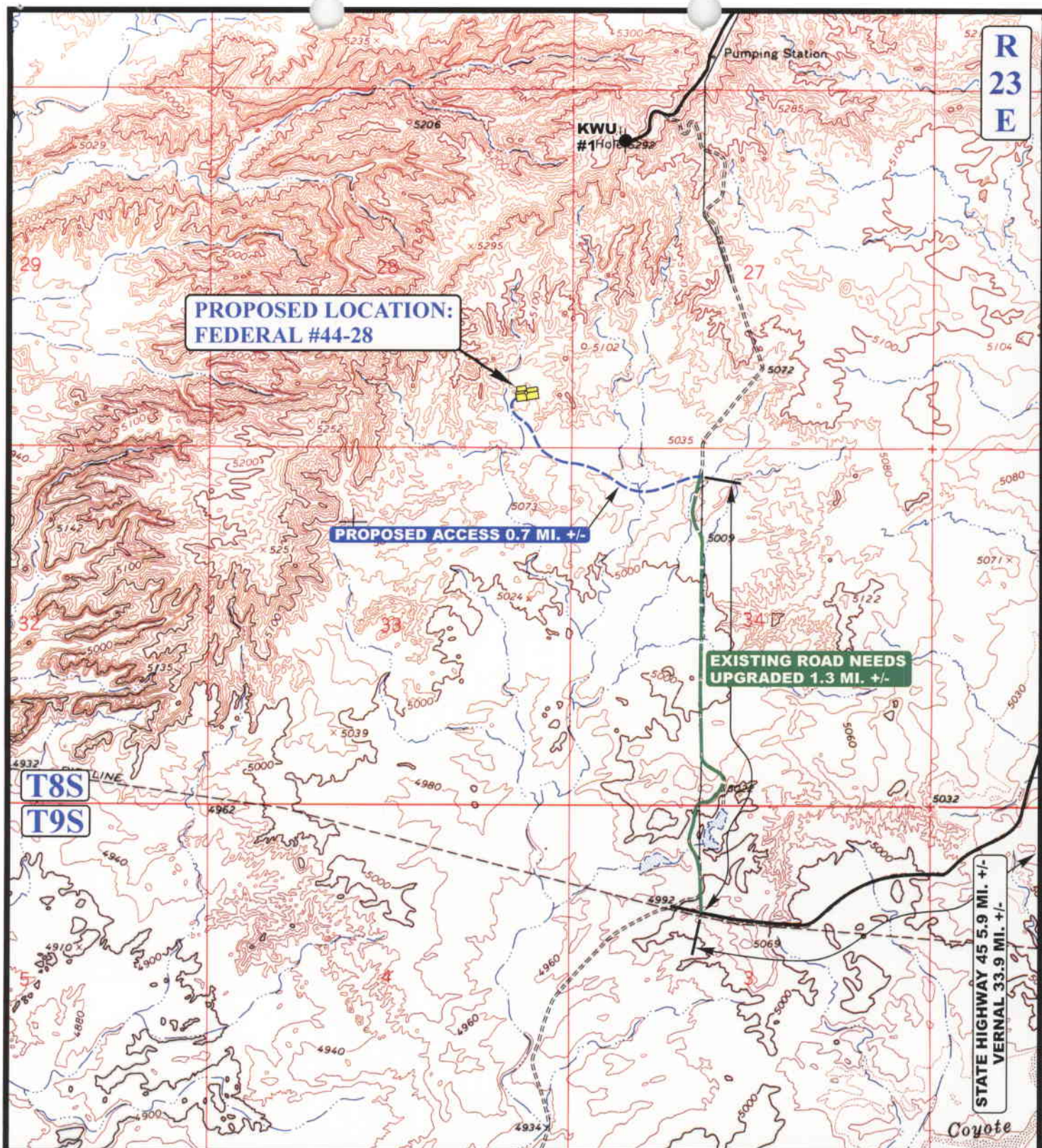
STA. 0+00

FIGURE #2

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,180 Cu. Yds.
Remaining Location	= 7,150 Cu. Yds.
TOTAL CUT	= 8,330 CU.YDS.
FILL	= 680 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 7,610 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,330 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 5,280 Cu. Yds.



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING ROAD NEEDS UPGRADED



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



EnCana OIL & GAS (USA) INC.

FEDERAL #44-28
SECTION 28, T8S, R23E, S.L.B.&M.
808' FSL 667' FEL

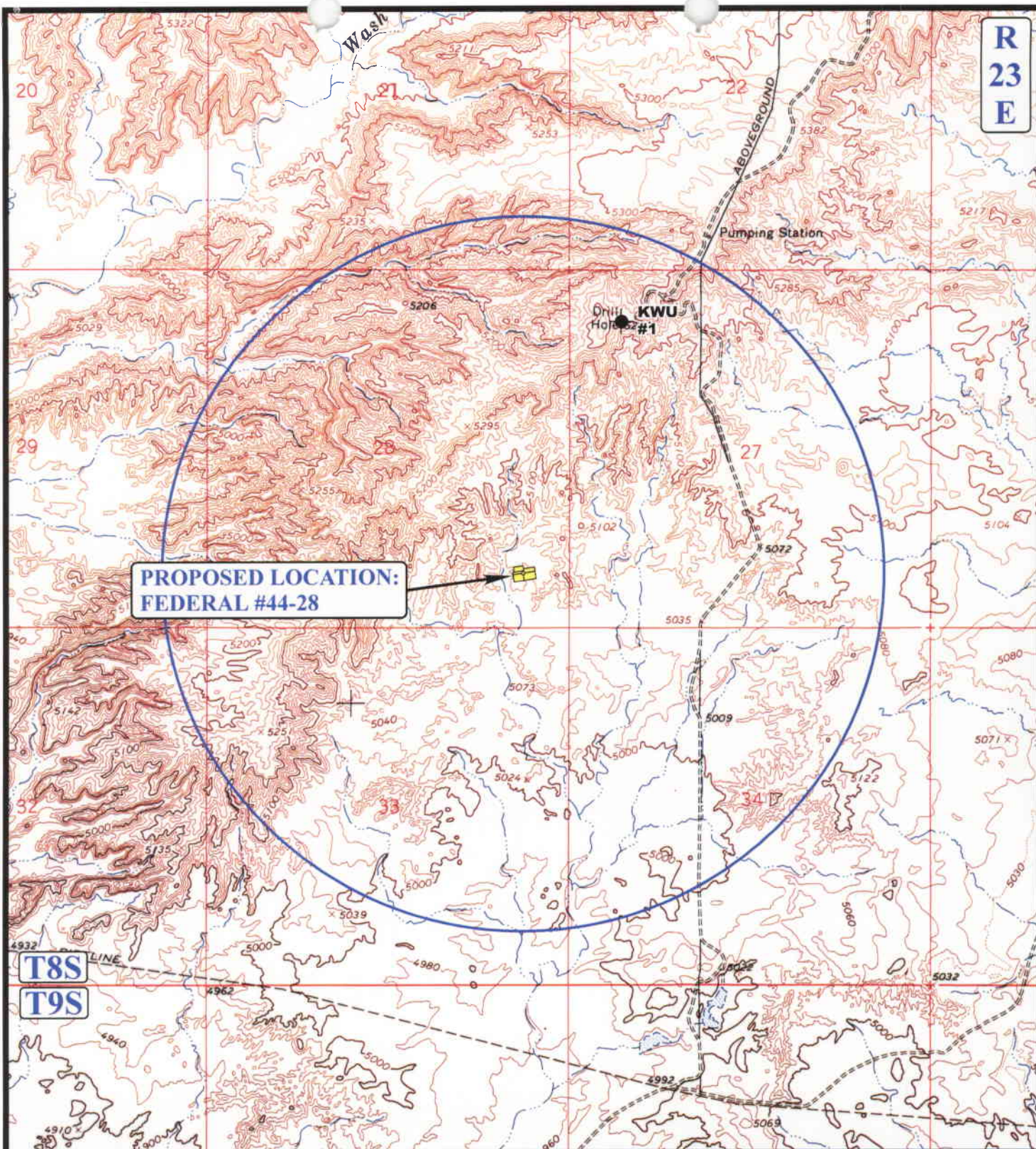
TOPOGRAPHIC
MAP

09 01 03
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

B
TOPO

R
23
E



PROPOSED LOCATION:
FEDERAL #44-28

T8S
T9S

LEGEND:

- | | |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS | ○ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |



EnCana OIL & GAS (USA) INC.

FEDERAL #44-28
SECTION 28, T8S, R23E, S.L.B.&M.
808' FSL 667' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

09 01 03
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/01/2003

API NO. ASSIGNED: 43-047-35264

WELL NAME: FEDERAL 44-28
OPERATOR: ENCANA OIL & GAS INC (N2175)
CONTACT: JUDITH WALTER

PHONE NUMBER: 720-956-3702

PROPOSED LOCATION:

SESE 28 080S 230E
SURFACE: 0808 FSL 0667 FEL
BOTTOM: 0808 FSL 0667 FEL
UINTAH
UNDESIGNATED (2)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU-64422
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: MVRD

LATITUDE: 40.08869
LONGITUDE: 109.32433

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. RLB0004733)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-2162)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)

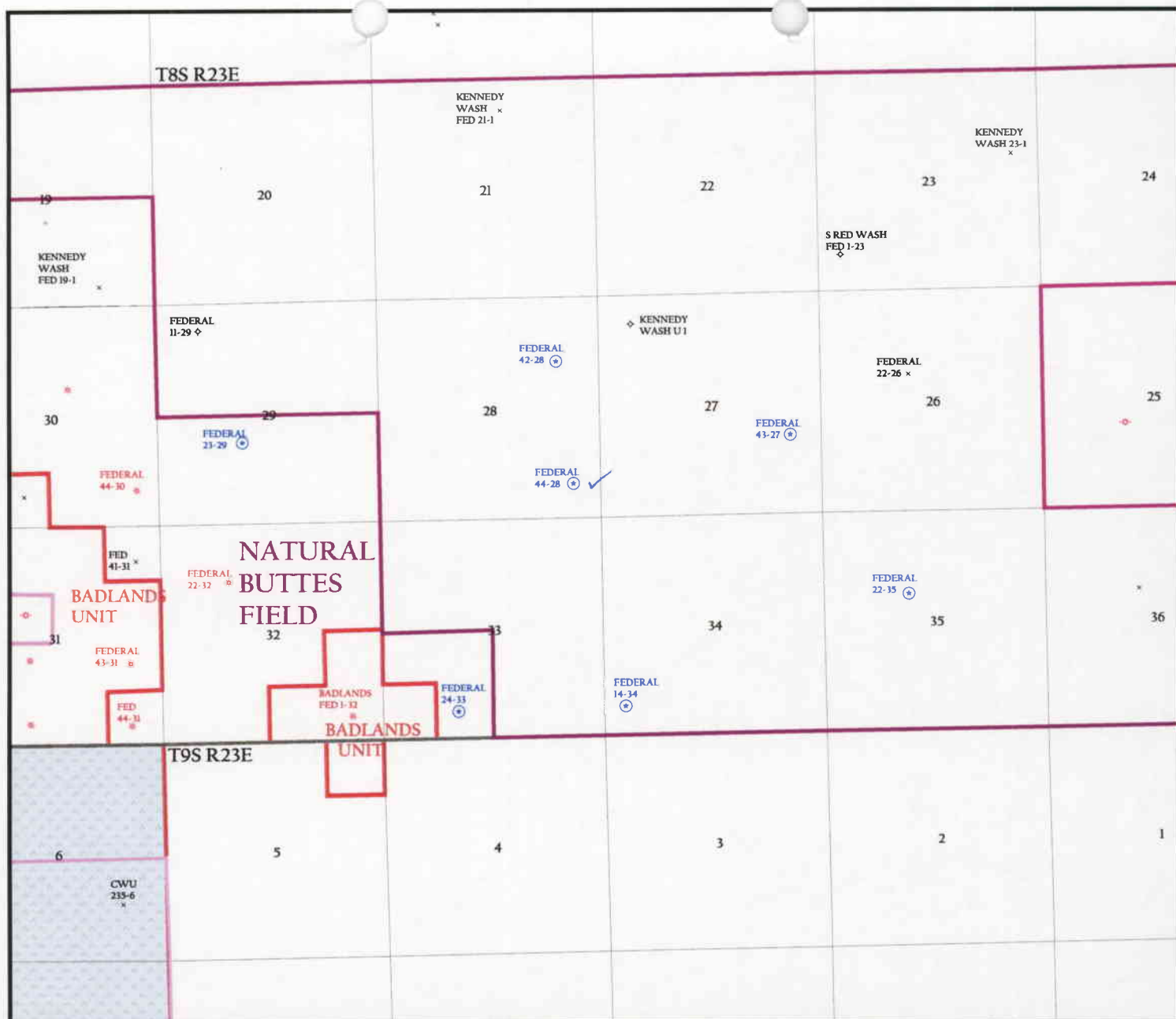
LOCATION AND SITING:

____ R649-2-3.
Unit _____
☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
____ R649-3-3. Exception
____ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
____ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal approval
2- Spacing Slip



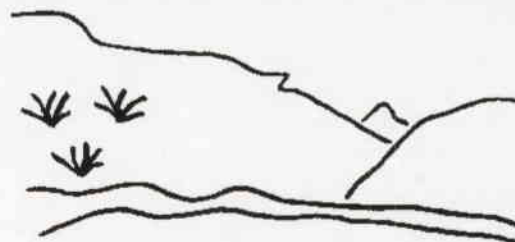
OPERATOR: ENCANA O&G INC (N2175)

SEC. 28 T.8S, R.23E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

Wells

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA MASON
DATE: 3-OCTOBER-2003



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

October 27, 2003

EnCana Oil & Gas (USA) Inc.
950 17th St., Suite 2600
Denver, CO 80202

Re: Federal 44-28 Well, 808' FSL, 667' FEL, SE SE, Sec. 28, T. 8 South, R. 23 East,
Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35264.

Sincerely,

John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EnCana Oil & Gas (USA) Inc.
Well Name & Number Federal 44-28
API Number: 43-047-35264
Lease: UTU-64422

Location: SE SE **Sec.** 28 **T.** 8 South **R.** 23 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

005

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL		5. LEASE DESIGNATION AND SERIAL NUMBER:	
OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		UTU-64422	
2. NAME OF OPERATOR:		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
EnCana Oil & Gas (USA) Inc.		NA	
3. ADDRESS OF OPERATOR:		7. UNIT or CA AGREEMENT NAME:	
950 17th St., #2600 CITY Denver STATE CO ZIP 80202		NA	
4. LOCATION OF WELL		8. WELL NAME and NUMBER:	
FOOTAGES AT SURFACE: 808' FSL, 667' FEL		Federal 44-28	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 28 8S 23E		9. API NUMBER:	
COUNTY: Uintah		4304735264	
STATE: UTAH		10. FIELD AND POOL, OR WILDCAT:	
		Undesignated	

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Location Layout & Cut & Fill exhibit
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Per the on-site inspection with the BLM on Sept. 30, 2003, the layout was changed please see the attached Location Layout & Typical Cross Section (cut & fill diagram) for the above mentioned well.

They are different from what was originally filed with the APD.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RECEIVED

DEC 11 2003

DIV. OF OIL, GAS & MINING


NAME (PLEASE PRINT) Judith A. Walter	TITLE Regulatory/Permitting Analyst
SIGNATURE <i>Judith A. Walter</i>	DATE 12/8/2003

(This space for State use only)

FEDERAL #44-28
SECTION 28, T8S, R23E, S.L.B.&M.
808' FSL 667' FEL

C-3.3'
El. 46.3'

Sta. 3+50

Approx. 
Top of
Cut Slope

*Flare Pit is to be located
a min. of 100' from the
Well Head.*

Pit Topsoil
FLARE PIT C-1.4'
El. 44.4'

C-1.0'
El. 44.0'

El. 44.6'
C-13.6'
(btm. pit)

CONSTRUCT
DIVERSION
DITCH

TOILET

F-1.1'
El. 41.9'

**WATER
TANK**

Round Corners,
as Needed

Sta. 0+00

$C-15.1'$
El. 58.1'

FIGURE #1

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5043.6'

FINISHED GRADE ELEV. AT LOC. STAKE = 5043.0'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

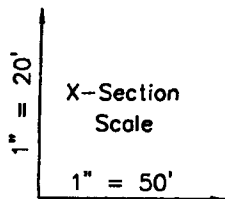
EnCana OIL & GAS (USA) INC.

TYPICAL CROSS SECTIONS FOR

FEDERAL #44-28

SECTION 28, T8S, R23E, S.L.B.&M.

808' FSL 667' FEL



DATE: 10-09-03

Drawn By: C.G.

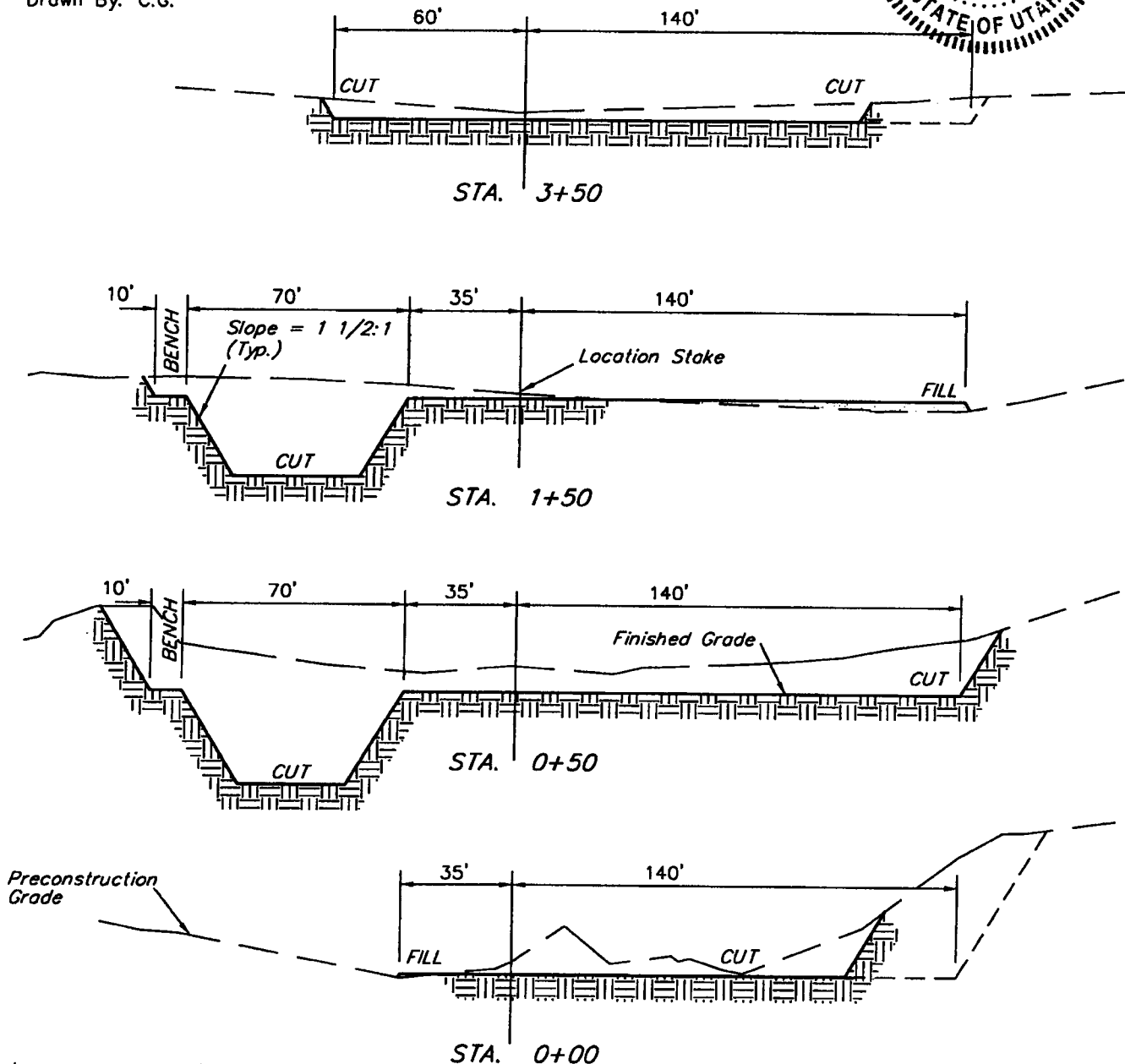
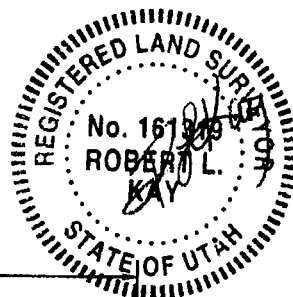


FIGURE #2

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,450 Cu. Yds.
Remaining Location	= 9,080 Cu. Yds.
TOTAL CUT	= 10,530 CU.YDS.
FILL	= 980 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 9,500 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,700 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 6,800 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

006

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL	5. Lease Serial No. UTU64422	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name	
2. Name of Operator ENCANA OIL & GAS (USA) INC		Contact: JUDITH A WALTER E-Mail: Judith.Walter@encan.com	7. If Unit or CA Agreement, Name and No.	
3a. Address 950 17TH STREET SUITE 2600 DENVER, CO 80202		3b. Phone No. (include area code) Ph: 720.956.3702 Fx: 720.956.3702	8. Lease Name and Well No. FEDERAL 44-28	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SESE 808FSL 667FEL 40.08868 N Lat, 109.32506 W Lon At proposed prod. zone		9. API Well No. 43-047-35264-00-X1		
14. Distance in miles and direction from nearest town or post office* APPROX. 35.9 MILES FROM VERNAL, UT		10. Field and Pool, or Exploratory BADLANDS		
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 667' FEL		11. Sec., T., R., M., or Blk. and Survey or Area Sec 28 T8S R23E Mer SLB SME: BLM		
16. No. of Acres in Lease 1920.00		12. County or Parish UINTAH		13. State UT
17. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. APPROX. 1 MILE		17. Spacing Unit dedicated to this well		
18. Proposed Depth 8316 MD		20. BLM/BIA Bond No. on file CO1461		
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5044 GL		23. Estimated duration		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) JUDITH A WALTER	Date 11/21/2003
Title PERMITTING/REGULATORY ANALYST		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) ED FORSMAN	Date 02/06/2004
Title AFM FOR MINERAL RESOURCES		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #25409 verified by the BLM Well Information System
For ENCANA OIL & GAS (USA) INC, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 11/24/2003 (04LW2339AE)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional Operator Remarks:

Please reference attached Drilling Plan, Surface Use Plan and Exhibits
The Cultural Resource Inventory was done by Montgomery Archaeological Consultants, Inc.
The Paleontological Survey Report was done by Montgomery Archaeological Consultants, Inc.

Revisions to Operator-Submitted EC Data for APD #25409

	Operator Submitted	BLM Revised (AFMSS)
Lease:	UTU-64422	UTU64422
Agreement:		
Operator:	ENCANA OIL & GAS (USA) INC. 950 17TH ST., SUITE 2600 DENVER, CO 80202 Ph: 720.956.3702 Fx: 720.956.3600	ENCANA OIL & GAS (USA) INC 950 17TH STREET SUITE 2600 DENVER, CO 80202
Admin Contact:	JUDITH A. WALTER PERMITTING/REGULATORY ANALYST 950 17TH ST., SUITE 2600 DENVER, CO, CO 80202 Ph: 720.956.3702 Fx: 720.956.3702 E-Mail: Judith.Walter@encan.com	JUDITH A WALTER PERMITTING/REGULATORY ANALYST 950 17TH STREET SUITE 2600 DENVER, CO 80202 Ph: 720.956.3702 Fx: 720.956.3702 E-Mail: Judith.Walter@encan.com
Tech Contact:		
Well Name:	FEDERAL	FEDERAL
Number:	44-28	44-28
Location:		
State:	UT	UT
County:	UINTAH	UINTAH
S/T/R:	Sec 28 T8S R23E Mer SLB	Sec 28 T8S R23E Mer SLB
Surf Loc:	SESE 808FSL 667FEL 40.08868 N Lat, 109.32506 W Lon	SESE 808FSL 667FEL 40.08868 N Lat, 109.32506 W Lon
Field/Pool:	UNDESIGNATED	BADLANDS
Bond:	CO1461	CO1461

Page 1 of 7
Well No.: Federal 44-28

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Encana Oil & Gas (USA) Inc.

Well Name & Number: Federal 44-28

Lease Number: U-64422

API Number: 43-047-35264

Location: SESE Sec. 28 T. 8S R. 23E

Agreement: N/A

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to John Mayers of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

Page 2 of 7
Well No.: Federal 44-28

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **3M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil & Gas Order No. 2, regarding air or gas drilling shall be adhered to.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint. Surface casing setting depths are based on ground level elevations only.

All casing strings below the conductor shall be pressure tested to 0.22 psi/ft of casing string length or 1500 psi, whichever is greater but not to exceed 70% of the minimum internal yield.

As a minimum requirement, the cement behind the production casing must extend at least 200' above the top of the Green River Formation which has been identified at $\pm 1143'$.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Please submit an electronic copy of all logs run on this well in LAS format. This submission will supercede the requirement for submittal of paper logs to the BLM.

Page 3 of 7
Well No.: Federal 44-28

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Written notification of such must be submitted to this office not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the

Page 4 of 7
Well No.: Federal 44-28

operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergencies, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform to Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Page 5 of 7
Well No.: Federal 44-28

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

COAs Page 6 of 7
Well No.: NDC 135-22

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids

COAs Page 7 of 7
Well No.: NDC 135-22

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

- Line the pit with a 12 mil plastic liner. Felt is not necessary unless rocks are encountered.
- No construction or drilling will be allowed from May 15 to June 20 to protect antelope during their kidding period.
- A ROW will be required for the portion of the road that travels south of the section line.
- Install a low water crossing in the road.
- Paint the facilities Carlsbad Canyon.
- Reseeding the location will not be necessary.
- The seed mix for the road and pipeline shall be:

Scarlet globemallow	<i>Sphaeralcea coccinea</i>	2 lbs. /acre
---------------------	-----------------------------	--------------

-All poundages are in pure live seed.

-Reseeding may be required if first seeding is not successful.

- Once the location is plugged and abandoned, it shall be recontoured to natural contours, and the road shall be seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.



State of Utah

Department of
Natural ResourcesROBERT L. MORGAN
*Executive Director*Division of
Oil, Gas & MiningMARY ANN WRIGHT
*Acting Division Director*OLENE S. WALKER
*Governor*GAYLE F. McKEACHNIE
Lieutenant Governor

January 14, 2005

Judith Walter
Encana Oil & Gas Inc.
950 17TH Street
Suite 2600
Denver CO 80202Re: APD Rescinded – Federal 44-28, Sec. 28, T. 8S, R. 23E –
Uintah County, Utah API No. 43-047-35264

Dear Ms. Walter:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on October 27, 2003. On January 13, 2005, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 13, 2005.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

A handwritten signature in cursive script that reads "Diana Whitney".
Diana Whitney
Engineering Techniciancc: Well File
Bureau of Land Management, Vernal



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:

3160

UT08300

February 8, 2005

Judith Walter
Encana Oil & Gas (USA) Inc.
950 17th Street, Suite 2600
Denver, CO 80202

43,047,35264
Re: Notification of Expiration
Well No. Federal 44-28
SESE, Sec. 28, T8S, R23E
Uintah County, Utah
Lease No. UTU-64422

Dear Ms. Walter:

The Application for Permit to Drill the above-referenced well was approved on February 6, 2004. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Leslie Wilcken

Leslie Wilcken
Legal Instruments Examiner

RECEIVED

FEB 14 2005

DIV. OF OIL, GAS & MINING

cc: UDOGM